

Press release

17 September 2021

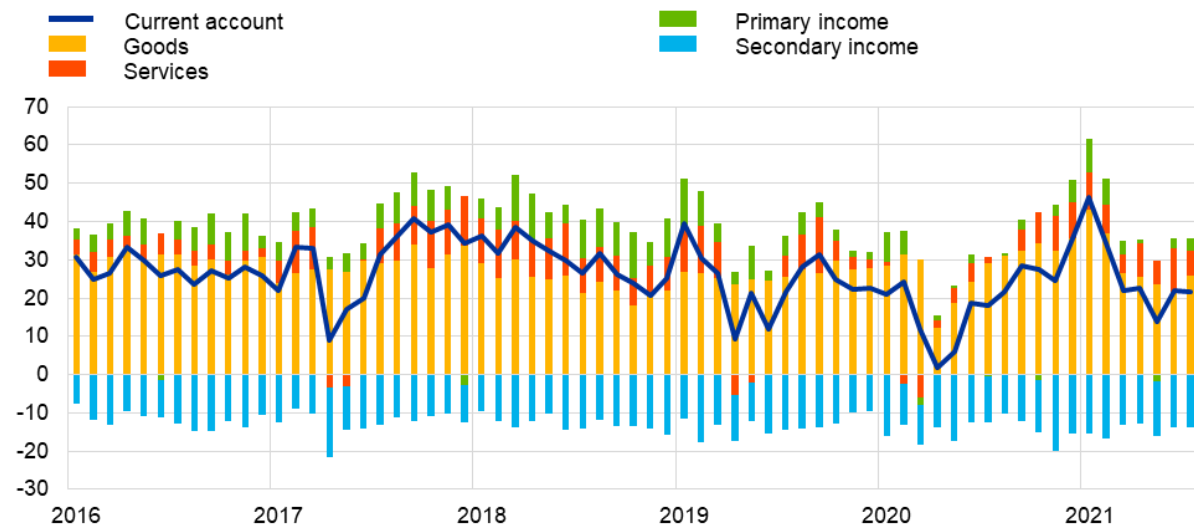
Euro area monthly balance of payments: July 2021

- [Current account](#) recorded €22 billion surplus in July 2021, unchanged from the previous month
- [Current account](#) surplus amounted to €320 billion (2.7% of euro area GDP) in 12 months to July 2021, up from €232 billion (2.0%) one year earlier
- In [financial account](#), euro area residents' net acquisitions of non-euro area portfolio investment securities totalled €961 billion and non-residents' net acquisitions of euro area portfolio investment securities totalled €61 billion in 12 months to July 2021

Chart 1

Euro area current account balance

(EUR billions unless otherwise indicated; working day and seasonally adjusted data)



Source: ECB.

European Central Bank

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The *current account* of the euro area recorded a surplus of €22 billion in July 2021, unchanged from the previous month (Chart 1 and Table 1). Surpluses were recorded for *goods* (€26 billion), *services* (€6 billion) and *primary income* (€3 billion). These were partly offset by a deficit for *secondary income* (€14 billion).

Table 1
Current account of the euro area

(EUR billions unless otherwise indicated; transactions: working day and seasonally adjusted data)

		Cumulated figures for the 12-month period ending in				Jul 2020	Jun 2021	Jul 2021
		July 2020 % of GDP		July 2021 % of GDP				
Current account	Balance	232	2.0%	320	2.7%	18	22	22
	Credit	4,082	35.5%	4,106	34.8%	313	350	354
	Debit	3,851	33.4%	3,786	32.1%	295	328	333
Goods	Balance	313	2.7%	369	3.1%	29	22	26
	Credit (exports)	2,241	19.5%	2,378	20.2%	179	204	208
	Debit (imports)	1,929	16.8%	2,009	17.1%	150	182	182
Services	Balance	40	0.3%	87	0.7%	2	11	6
	Credit (exports)	927	8.0%	877	7.4%	64	75	78
	Debit (imports)	887	7.7%	790	6.7%	62	64	72
Primary income	Balance	32	0.3%	35	0.3%	-1	3	3
	Credit	798	6.9%	733	6.2%	61	60	58
	Debit	767	6.7%	698	5.9%	62	58	55
Secondary income	Balance	-153	-1.3%	-171	-1.5%	-12	-14	-14
	Credit	116	1.0%	118	1.0%	10	10	10
	Debit	269	2.3%	289	2.5%	22	24	24

Source: ECB.

Note: Discrepancies between totals and their components may be due to rounding.

[Data for the current account of the euro area](#)

In the 12 months to July 2021, the *current account* recorded a surplus of €320 billion (2.7% of euro area GDP), compared with a surplus of €232 billion (2.0% of euro area GDP) in the 12 months to July 2020. This increase was driven by larger surpluses for *goods* (up from €313 billion to €369 billion), *services* (up from €40 billion to €87 billion) and *primary income* (up from €32 billion to €35 billion). These developments were partly offset by a larger deficit for *secondary income* (up from €153 billion to €171 billion).

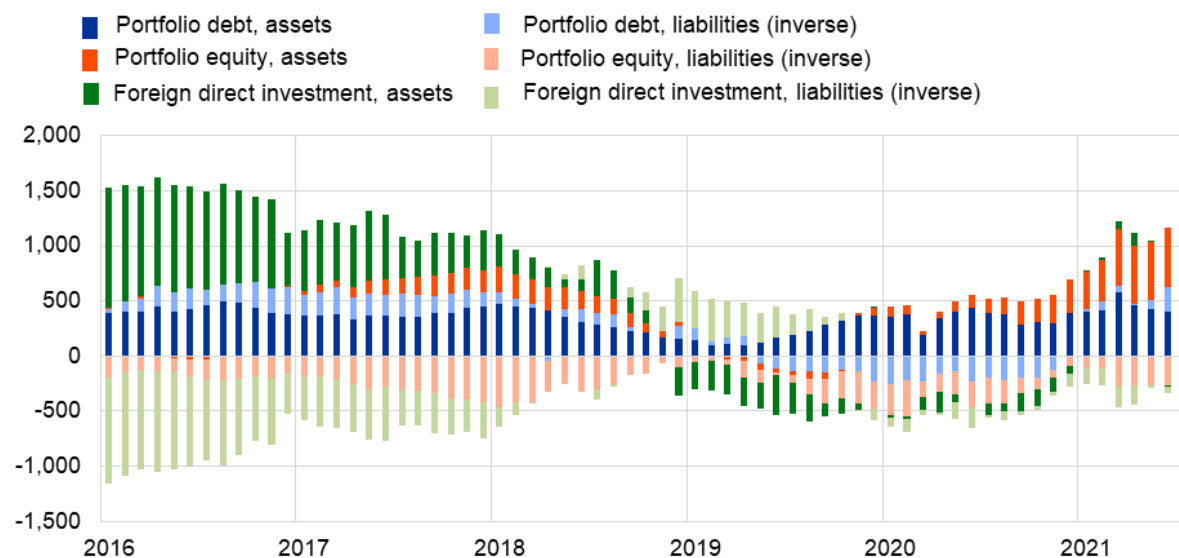
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Chart 2
Selected items of the euro area financial account

(EUR billions; 12-month cumulated data)



Source: ECB.

Notes: For assets, a positive (negative) number indicates net purchases (sales) of non-euro area instruments by euro area investors. For liabilities, a positive (negative) number indicates net sales (purchases) of euro area instruments by non-euro area investors.

In *direct investment*, euro area residents made net disinvestments of €29 billion in non-euro area assets in the 12-month period to July 2021, following net disinvestments of €97 billion in the 12 months to July 2020 (Chart 2 and Table 2). Non-residents' net investments in euro area assets increased to €37 billion in the 12-month period to July 2021, up from €30 billion in the 12 months to July 2020.

In *portfolio investment*, euro area residents' net purchases of non-euro area *equity* increased to €546 billion in the 12-month period to July 2021, up from €118 billion in the 12 months to July 2020. Over the same period, net purchases of non-euro area *debt securities* by euro area residents increased to €415 billion, up from €395 billion in the 12 months to July 2020. Non-residents' net purchases of euro area *equity* increased to €261 billion in the 12-month period to July 2021, up from €235 billion in the 12 months to July 2020. Over the same period, non-residents made net sales of euro area *debt securities* amounting to €200 billion, following net purchases of €200 billion in the 12 months to July 2020.

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Table 2
Financial account of the euro area

(EUR billions unless otherwise indicated; transactions; non-working day and non-seasonally adjusted data)

	Cumulated figures for the 12-month period ending in					
	July 2020			July 2021		
	Net	Assets	Liabilities	Net	Assets	Liabilities
Financial account	142	592	450	399	925	526
Direct investment	-127	-97	30	-66	-29	37
Portfolio investment	78	514	436	900	961	61
Equity	-117	118	235	285	546	261
Debt securities	195	395	200	615	415	-200
Financial derivatives (net)	31	31		-14	-14	
Other investment	160	144	-16	-430	-2	428
Eurosysteem	-6	2	8	-166	22	188
Other MFIs	-5	-114	-109	-159	46	205
General government	14	8	-5	-51	-13	38
Other sectors	158	248	90	-53	-56	-3
Reserve assets	-1	-1		10	10	

Source: ECB.

Notes: Decreases in assets and liabilities are shown with a minus sign. Net financial derivatives are reported under assets. "MFIs" stands for monetary financial institutions. Discrepancies between totals and their components may be due to rounding.

[Data for the financial account of the euro area](#)

In *other investment*, euro area residents recorded net disposals of non-euro area assets amounting to €2 billion in the 12 months to July 2021 (following net acquisitions of €144 billion in the 12 months to July 2020), while their net incurrence of liabilities was €428 billion (following net disposals of €16 billion in the 12 months to July 2020).

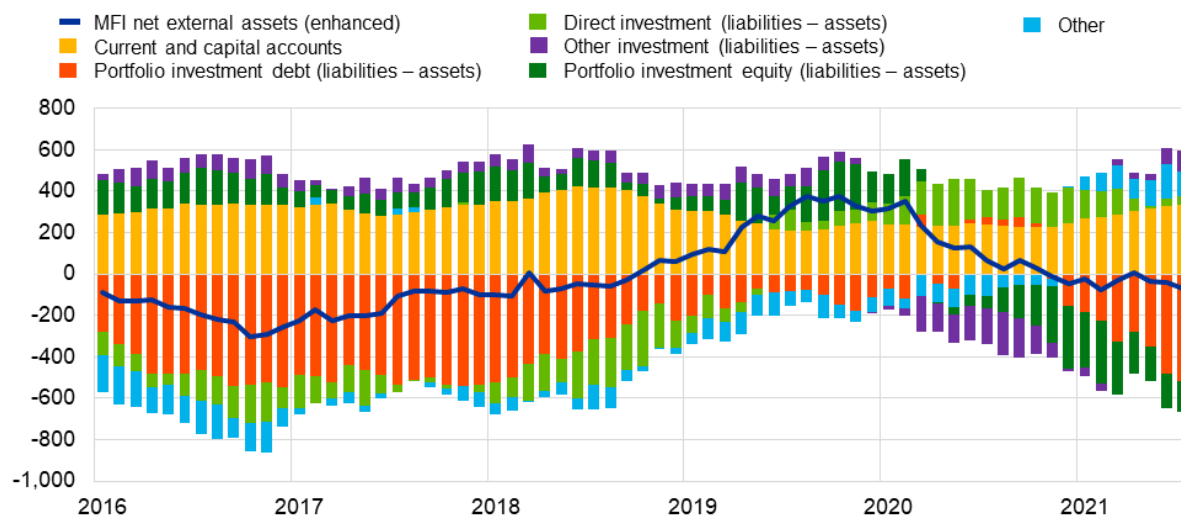
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Chart 3
Monetary presentation of the balance of payments

(EUR billions; 12-month cumulated data)



Source: ECB.

Notes: "MFI net external assets (enhanced)" incorporates an adjustment to the MFI net external assets (as reported in the consolidated MFI balance sheet items statistics) based on information on MFI long-term liabilities held by non-residents, available in b.o.p. statistics. B.o.p. transactions refer only to transactions of non-MFI residents of the euro area. Financial transactions are shown as liabilities net of assets. "Other" includes *financial derivatives* and statistical discrepancies.

The monetary presentation of the balance of payments (Chart 3) shows that the *net external assets (enhanced)* of euro area MFIs decreased by €70 billion in the 12-month period to July 2021. This decrease was driven by euro area non-MFIs' net outflows in *portfolio investment debt* and *portfolio investment equity*. These developments were partially offset by the *current and capital accounts* surplus and, to a lesser extent, by euro area non-MFIs' net inflows in *other investment*, *direct investment* and *other flows*.

In July 2021 the Eurosystem's stock of *reserve assets* increased to €888.5 billion, up from €869.0 billion in the previous month (Table 3). This increase was mainly driven by positive changes in the price of gold (€19.3 billion) and, to a lesser extent, by positive exchange rate changes (€0.2 billion), which were partly offset by net disposals of assets (€0.3 billion).

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Table 3
Reserve assets of the euro area

(EUR billions; amounts outstanding at the end of the period, flows during the period; non-working day and non-seasonally adjusted data)

	June 2021	July 2021			
	Amounts outstanding	Transactions	Exchange rate changes	Price changes	Amounts outstanding
Reserve assets	869.0	-0.3	0.2	19.6	888.5
Monetary gold	512.9	0.0	-	19.3	532.2
Special drawing rights	51.4	0.0	0.0	-	51.5
Reserve position in the IMF	31.4	0.0	0.0	-	31.5
Other reserve assets	273.3	-0.4	0.1	0.4	273.4

Source: ECB.

Notes: "Other reserve assets" comprises currency and deposits, securities, financial derivatives (net) and other claims. Discrepancies between totals and their components may be due to rounding.

[Data for the reserve assets of the euro area](#)

Data revisions

This press release does not incorporate revisions to previous periods.

Next releases:

- Quarterly balance of payments and international investment position: 4 October 2021 (reference data up to the second quarter of 2021)
- Monthly balance of payments: 20 October 2021 (reference data up to August 2021)

For media queries, please contact [Philippe Rispal](#), tel.: +49 69 1344 5482.

Notes

- Current account data are always seasonally and working day-adjusted, unless otherwise indicated, whereas capital and financial account data are neither seasonally nor working day-adjusted.
- Hyperlinks in this press release lead to data that may change with subsequent releases as a result of revisions.

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